

SENATE RESOLUTION 146

By McNally

A RESOLUTION relative to the proposed Medicaid Fiscal Accountability Regulation.

WHEREAS, the Centers for Medicare and Medicaid Services (CMS) has promulgated the Medicaid Fiscal Accountability Regulation (MFAR); and

WHEREAS, this proposed rule threatens the viability of the TennCare program, a program that was the first of its kind and has been successful for decades in saving the federal government billions of dollars, and the Medicaid programs of the remaining forty-nine states; and

WHEREAS, MFAR upends the state-federal partnership and financing structure designed by Congress, stripping states of flexibility to fund the non-federal share by using local sources and leaving them nowhere to turn but to taxpayers to maintain their existing Medicaid programs; and

WHEREAS, in losing this flexibility, states may be unable to adequately fund their Medicaid programs, which could lead to unintended consequences that would negatively impact Medicaid beneficiaries across the country; and

WHEREAS, MFAR seeks to adopt vague and sweeping regulatory criteria that would give the CMS essentially unlimited authority to deem state financing practices impermissible, making it impossible for the TennCare program and its providers to structure their affairs in certain compliance with the law; and

WHEREAS, for years, all fifty states have used provider taxes, hospital fees, Medicaid managed care plan taxes, intergovernmental transfers, state special funds, or other local sources of funding to receive a federal match; the proposed rule would restrict every state's ability to use such funding for the non-federal share of Medicaid financing; and

WHEREAS, moreover, there are no clear standards by which future state Medicaid financing will be considered, and MFAR does not allow adequate time for states to plan for these substantial changes; and

WHEREAS, in Tennessee alone, MFAR would jeopardize over \$1 billion in non-federal share funding and \$3.8 billion in total Medicaid funding, nearly one-third of the TennCare program's total budget; and

WHEREAS, in the final analysis, MFAR could result in significant TennCare funding cuts that would negatively impact the health and welfare of our most vulnerable citizens: children, pregnant women, the elderly, and the disabled; now, therefore,

BE IT RESOLVED BY THE SENATE OF THE ONE HUNDRED ELEVENTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, that we strongly oppose the Medicaid Fiscal Accountability Regulation and urge the Centers for Medicare and Medicaid Services to withdraw the proposed rule and work with the several states and other stakeholders on alternatives that will ensure not only efficient use of taxpayer dollars but also protect patient access to Medicaid or TennCare services.

BE IT FURTHER RESOLVED, that a certified copy of this resolution be transmitted to the Honorable Donald J. Trump, President of the United States; the Speaker and the Clerk of the U.S. House of Representatives; the President and the Secretary of the U.S. Senate; and the Administrator of the Centers for Medicare and Medicaid Services.